

**TOWNSHIP TRUSTEES' BULLETIN
and Uniform Compliance Guidelines**

Volume 243, Page 1

November 1998

ITEMS TO REMEMBER

DECEMBER

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| December | 1: | On or before June 1 and December 1 of each year (or more frequently if the County Legislative Body adopts an ordinance requiring additional certifications) the Township shall certify a list of the names and addresses of each person who has money due from the Township to the County Treasurer. (IC 6-1.1-22-14) |
| December | 20: | If a school township has become a part of a school corporation organized under Chapter 202, Acts of 1959, as amended, and if the reorganized school unit is obligated for civil aid bond retirement, the trustee will receive from the school corporation an amount of money sufficient to pay civil aid bonds and coupons coming due January 1, 1999. (IC 20-4-1-35) |
| December | 25: | Legal Holiday - Christmas Day. (IC 1-1-9-1) |
| December | 31: | On or before the last day of each month the trustee shall file with the secretary of the township board of finance, a verified statement which shall reconcile, as of the last day of the prior month (November), the balance of public funds as disclosed by his or her records (financial and appropriation record) with the bank statement. (IC 5-13-6-1) |

JANUARY

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| January | 1: | Legal Holiday - New Year's Day. (IC 1-1-9-1) |
| January | 1: | Set up the Financial and Appropriation Record for the year 1999, by bringing forward the fund (cash) balances at the close of the year 1998 and entering appropriations as finally adopted and approved. |
| January | 5: | Annual meeting of township board to organize by electing one member as chairman and one member as secretary for the year. (First Tuesday after first Monday in January.) (IC 36-6-6-7) |
| January | 5-31: | Members of the township board are to meet to organize as a township board of finance by electing one member as president and one member as secretary, each for a period of one year. During the annual meeting the investment officer shall make a written report to the investing officer's local board of finance summarizing the township's investments during the previous calendar year. The report must contain the name of each financial institution, government agency or instrumentality, or other person with whom the township invested money during the previous calendar year. The local board of finance shall do the following at the meeting:
(1) Review the report.
(2) Review the overall investment policy of the political subdivision. (After the first Monday and on or before the last day of January.) (IC 5-13-7-6, IC 5-13-7-7) |

**TOWNSHIP TRUSTEES' BULLETIN
and Uniform Compliance Guidelines**

Volume 243, Page 2

November 1998

ITEMS TO REMEMBER
(Continued)

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| January | 15: | Assessment date for mobile homes defined in IC 6-1.1-7-1. (IC 6-1.1-1-2) |
| January | 15: | Last day to make pension report and payment for fourth calendar quarter by townships participating in PERF. |
| January | 18: | Legal Holiday - Martin Luther King Day. (IC 1-1-9-2) |
| January | 19: | Last day for the annual meeting of the township board for the purpose of receiving, auditing and approving the report of the township trustee for 1998 (On or before the third Tuesday after the first Monday in January.) (IC 36-6-6-9) |
| January | 29: | Last day for trustee to file the copy of the Annual Report, Township Form 15, as approved by the township board, together with the 1998 vouchers, in the office of the county auditor (ten (10) days after the meeting of the township board on January 19). (IC 36-6-4-12) |
| January | 30: | Last day to file 1998 financial report, Township Form 15, with the State Board of Accounts. Use the forms sent to you or which you picked up at the State Board of Accounts meeting in Indianapolis, November 19, 1998. |
| January | 31: | On or before the last day of each month the trustee shall file with the secretary of the township board of finance, a verified statement which shall reconcile, as of the last day of the prior month (December), the balance of public funds as disclosed by his or her records (financial and appropriation record) with the bank statement. (IC 5-13-6-1) |
| January | 31: | Last day to provide each employee with a W-2. |
| January | 31: | Last day to file quarterly 941 report for last quarter of 1998 with Internal Revenue Service. |
| January | 31: | Last day to file Form 100R Report of names and Compensation of all Officers and Employees, with the State Board of Accounts. Be sure to indicate the name of the township and the name of the county on page one of the form. A supply of forms for the report can be procured from your supplier of township forms. The form shall be mailed to the State Board of Accounts, 302 West Washington Street, 4th Floor, Room E418, Indianapolis, IN 46204. (IC 5-11-13-1) |
| January | 31: | Last day to make report for last quarter of 1998 to the Department of Workforce Development. |

FEBRUARY

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| February | 12: | Legal Holiday - Lincoln's Birthday. (IC 1-1-9-1) |
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**TOWNSHIP TRUSTEES' BULLETIN
and Uniform Compliance Guidelines**

Volume 243, Page 3

November 1998

**ITEMS TO REMEMBER
(Continued)**

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| February | 15: | Last day for publication of township trustees' Annual Report, Township Form 15, for 1998 in summary form. (Within four weeks after the third Tuesday after the first Monday in January.) (IC 36-6-4-13) |
| February | 15: | Legal Holiday - Washington's Birthday. (IC 1-1-9-1) |
| February | 28: | On or before the last day of each month the trustee shall file with the secretary of the township board of finance, a verified statement which shall reconcile, as of the last day of the prior month (January), the balance of public funds as disclosed by his or her records (financial and appropriation record) with the bank statement. (IC 5-13-6-1) |
| February | 28: | Last day to file withholding statement together with Yearly Reconciliation of Employer's Quarterly Tax Returns with Social Security Administration and Indiana Department of Revenue, respectively. |

QUALIFYING FOR OFFICE - OATH

IC 5-4-1-1 states in part (a) "Every officer and every deputy, before entering on the officer's or deputy's official duties, shall take an oath to support the Constitution of the United States and the Constitution of the State of Indiana, and that the officer or deputy will faithfully discharge the duties of such office.

QUALIFYING FOR OFFICE - OFFICIAL BONDS

OBTAIN BOND FIRST

IC 5-4-1-9 states "An officer required to give an official bond shall give the bond before the commencement of his term of office. If the officer fails to give the bond before that time, the officer may not take office."

COUNTY AUDITOR APPROVAL

The bond must be approved by the county auditor. (IC 5-4-1-8)

PAYABLE TO STATE

IC 5-4-1-10 states "All official bonds shall be payable to the state of Indiana; and every such bond shall be obligatory to such state, upon the principal and sureties, for the faithful discharge of all duties required of such officer by any law, then or subsequently in force, for the use of any person injured by any breach of the condition thereof."

AMOUNT OF BOND

Bonds of the township trustee shall be fixed by the township board in an amount equal to \$15,000.00 for each \$1,000,000.00 of the previous year receipts but not less than \$15,000.00 nor more than \$300,000.00. Please review IC 5-4-1-18.

**TOWNSHIP TRUSTEES' BULLETIN
and Uniform Compliance Guidelines**

Volume 243, Page 4

November 1998

FILE BOND

IC 5-4-1-5.1 states in part (b) "Every elected or appointed officer, official, deputy, or employee of a political subdivision who is required by section 18 of this chapter to file an official bond for the faithful performance of duty, . . . shall file the bond in the office of the county recorder in the county of residence of the officer, official, deputy . . ."

PREMIUM

The premium on the trustee's bond is payable from the township fund. (IC 5-4-5-2)

RECEIVING TOWNSHIP PROPERTY AND RECORDS FROM PREDECESSOR

IC 36-6-4-14 requires that each township trustee who does not succeed themselves in office, shall on January 1, 1999, turn over to their successor all the property belonging to the township. Therefore the trustee is required to turn over all books, Township Trustees' Bulletins, Township Manual, and records of the township.

The bank accounts should be in the name of the township, for example, "Clay Township, St. Joseph County", not in the name of the trustee. If the account is properly in the name of the township, the change can be made at the bank by simply registering the authorized signature of the incoming trustee.

Township business is a continuing one; a change of office need not interrupt that business.

We suggest the outgoing trustee prepare in duplicate an itemized inventory of equipment owned by the township on December 31, to be signed by the successor and outgoing trustee. One copy is for the outgoing trustee and one copy is to be kept by the incoming trustee as a township record.

Sometimes difficulty exists for a person in office to convey to his successor all of the knowledge gained during a term or terms of office. However, you may be able to give valuable assistance and you are urged to provide information to your successor.

EXAMINATION OF TRUSTEE'S OFFICE

Several trustees have requested an audit of their office at the close of office on December 31, 1998. An audit is not necessarily required for the township trustee going out of office on December 31, 1998. Properly maintained and retained records in accordance with the Public Records Law should provide a clear audit trail. Contact our Office at (317) 232-2520 if problems exist with records prior to the regular audit and we will try to assist in resolving the situation.

REVISED PURCHASE ORDER, FORM 98

Purchase Order, Form 98, (not used for poor relief) has been revised. Existing supplies may be used.

**TOWNSHIP TRUSTEES' BULLETIN
and Uniform Compliance Guidelines**

Volume 243, Page 5

November 1998

Year 2000

The Governmental Accounting Standards Board has issued a technical bulletin effective for audit opinions dated after October 31, 1998, addressing the reporting requirements for Year 2000 preparations of computer systems and other equipment.

The Year 2000 problem is the result of many electronic products' inability to process the change of date from 1999 to 2000. This occurs in electrical equipment which utilizes a date with a two digit year, for example 10/31/98 instead of a four digit year such as 10/31/1998. The electrical equipment may process 00 dates as 1900 instead of 2000 or completely fail to process. Some examples of equipment which could fail to process include computer hardware, computer software, computer application systems, security systems, heating and cooling systems, telephone systems, pagers, process control systems, elevators, traffic control systems, prisoner retention systems, 911 systems, and medical equipment.

All governmental units are required to develop a plan and estimate costs to modify computer systems and other equipment to insure continued processing capability in the Year 2000. The following stages are necessary steps in Year 2000 preparation.

Awareness Stage - Establishment of a project plan and budget for dealing with the Year 2000 issue.

Assessment Stage - The identification of all computer systems and other equipment which may be affected by the Year 2000. All system components may be reviewed for Year 2000 compliance or, through a risk analysis, only mission critical systems may be identified.

Remediation Stage - Actual modifications to the computer systems and other equipment. This stage deals with converting existing computer systems and equipment or replacing the systems with Year 2000 compliant systems and equipment.

Validation/Testing Stage - Testing of the modifications completed to computer systems and other equipment including the development of test data and scripts, processing of test scripts and review of test results.

Implementation Stage - The use of a computer system or other equipment that has been remediated and is Year 2000 compliant.

If a governmental unit has not completed the **Awareness Stage** and **Assessment Stage** for computer systems and other equipment to assure Year 2000 compliance, an audit result and comment may be required within their audit report. **Remediation Stage** activity should be initiated prior to the end of 1998.

If you have any questions concerning the Year 2000 requirements, please contact Paul Gray, Director Information Technology Services for the State Board of Accounts at telephone number (317) 232-2525 or electronic mail address of pgray@sboa.state.in.us.

**TOWNSHIP TRUSTEES' BULLETIN
and Uniform Compliance Guidelines**

Volume 243, Page 6

November 1998

ANNUAL REPORT

The annual report (Township Form No. 15, Revised 1998) is to be prepared in time to be submitted to the township board by January 19, 1999. It is the duty of the trustee in office on December 31, 1998, to prepare the report. The township board in office on January 19th is required to examine the report and approve it in whole or in part and the chairman of the township board is directed by law to keep the report, subject to inspection by any taxpayer of the township. The trustee in office at December 31, 1998, is required to attend the meeting of the township board to answer any inquiry pertaining to the report or to the business of the township conducted in the preceding year. A sufficient number of copies should be made for distribution to (1) chairman of the township board, (2) county auditor, (3) a file copy for the office of the township trustee, (4) the State Board of Accounts. Within 10 days after action on the report, the new trustee is required to file a copy of the report with accompanying vouchers, in the office of the county auditor. The outgoing trustee will also prepare one copy of the report (Form 15-1998) for each newspaper in which it is to be published in compliance with IC 36-6-4-13 (see February 15th above.) The trustee in office is to cause the publications to be made. One copy is to be filed with the State Board of Accounts no later than January 30, 1999.